



Journal of Geography, Politics and Society

2018, 8(4), 27–31

DOI 10.4467/24512249JG.18.025.9012

URBAN REGENERATION AND GENTRIFICATION IN ROMANIA

Miruna Cristina Boca

Department of Geography, Tourism and Territorial Planning, University of Oradea, Universităţii 1, 410087 Oradea, Romania,
e-mail: mirunaboca@yahoo.com

Citation

Boca M.C., 2018, Urban regeneration and gentrification in Romania, *Journal of Geography, Politics and Society*, 8(4), 27–31.

Abstract

Before 1990, Romania went through a forced industrialized policy, but after this time, most of the industrial business went bankrupt, and their sites and buildings were abandoned. Nowadays, most of the cities in Romania encounter the problem of abandoned industrial sites. This has become an interesting problem for the local authorities to overcome in the future. The aim of this paper is to study the process of deindustrialization of the country and suggest methods of regenerating the areas.

Key words

industrial, deindustrialization, gentrification, urban, Romania

Received: 23 May 2018

Accepted: 13 June 2018

Published: 30 November 2018

1. Introduction

During the communist period, industrialization was an essential issue. The communists took over the Marxist model for the forced industrialization of the country, with particular emphasis on heavy industry such as the machinery, the chemical, or the iron and steel industry. Between 1951–1989, the development of the economy was centered on the industrial development according to the strategy and the politics of the time, aiming to transform Romania into an economically efficient agricultural-state.

By Government Decision no. 1296 of 13 December 1991, art. 1. It was decided that state-owned companies are transformed into joint stock companies (Monitorul..., 1991). The major concern of these companies was that they could not adapt to the rigors imposed by the market economy because of the giant dimensions at which the plants were designed

and more because of the system in which they operated during the planned economy when they did not have to identify themselves, neither the market where they would sell their products nor buy the raw material. This has led, over time, to an acute shortage of culture in relation to the consumer as well as to the relationship with suppliers that are vital in the conditions in which the market operates according to the harsh rules of demand and supply of goods and services. As a result, many of these companies have gone bankrupt, others have reconfigured their activity profile, or have used different asset-leasing methods as a form of subsistence for economically unviable businesses.

In present day Romania, there is a shortage of industry, but the former industrial factories left behind big pieces of land, a lot of unused buildings that 'suffocate' the areas where they are placed.

2. Romania before and after 1990

The imposed industrialization policy also involved a significant movement of the labor force towards the new industrial centers implicitly an increase of the urban population. Between 1948–1989 the percentage of the urban population increases by more than seven million people, is from 23.4% to 54.3%. The growth is not only due to migration in the old urban centers, but also by granting the status of city to some localities, especially mono-industrial ones. Between 1948 and 1989, the number of cities increased from 153 to 260 (Raport final, 2006).

The strategic decision that the process of industrialization is based on heavy hardcore materialized in an investment effort to the detriment of the consumption of the population and at the cost of profound sectoral and social imbalances. A first negative aspect was that the allocation of huge sums for the provision of fixed assets of the industry took place concurrently with the extension of their working life and, implicitly, with the maintenance in operation and after their expiration.

A second negative aspect of the Romanian industrialization policy was its specialization in the machine building, electrical and thermal energy, fuel, chemistry and metallurgy industries. Under the conditions of the explosion of prices on the global market since the early 1970s, extensive development has resulted in increased production costs and decreased profitability in some situations, with losses incurred by the state budget. At the same time, the direction of investments in the preferred branches of communist politics was at the expense of the neglect of other branches of industry, including the food industry, which, in 1980–1989, was allocated less than 5% of the total industrial investments. The result was not delayed: low food supply led to a decrease in population consumption and living standards (Gyöngyi, 2015).

Romania is economically declining right after 1990, when the deindustrialization of Romania begins, which is a process of loss especially for the heavy industry. It is well known that the communist period was marked by a forced industrialization of the Romanian economy, and after the fall of the communist regime, in the context of the transition from a centralized socialist economy to a market economy, economic development has entered a natural course. It begins the transition from a centralized economy to a market-based one, while Western societies are trying to globalize, attacking national economies unable to withstand technology, fact which has led to the gradual loss of outlets. Since 1992, production has stabilized, Romanian and state-run

enterprises have produced in stock and inevitably most of them went bankrupt. According to the National Institute of Statistics, in 1990 in Romania there were 8.1 million employees, of which 47.1% were in industry, their number drops to 4.4 million in 2014, out of which 31.1% work in industry (Gyöngyi, 2015).

Deindustrialization is also manifesting at present, leaving behind vast areas of abandoned or ruined land. The cities in Romania, from the smallest to the capital city of Bucharest, face problems related to (Ghid informativ..., 2007):

- degradation of the built space;
- quality of life does not always meet the standards or expectations of most citizens, issues related to the quality of the environment;
- housing blocks that have not undergone substantial renovations since commissioning;
- historical centers often on the brink;
- industrial areas abandoned in recent years due to cessation of activities;
- unmanaged public spaces;
- venture or non-existing infrastructure sometimes;
- unsatisfactory urban services;
- inefficient public transport;
- insufficient or endangered green spaces.

The return of urban areas to the cooperative effort of municipalities, owners and other actors involved in improving living conditions, enhancing the quality of the environment, the social climate and strengthening the local economy. The municipality is of importance in the process of urban regeneration, the municipality being the one that owns the public spaces. It also manages services and safety in the area. It is the one that makes urban, sectoral and neighborhood plans. It can attract funds from other parts. Usually the municipality also has land that can be offered for development by entrepreneurs. Another role of the municipality would be that it is the main financier of the social measures and the initiator (together with the real estate owners) of the renewal of the neighborhood.

Major problems now arise in the achievement of integrated urban regeneration projects due to the fact that the ownership of land, premises, buildings that were part of former state enterprises, now bankrupt /ruined, belong to groups of persons or legal entities with foreign capital, uninterested in the realization of integrated projects, in favor of some real estate developments, of small scale, but which bring a quick and minimal effort. Privatization of former state-owned enterprises, has resulted in the gradual splitting of properties, depending on the interests of the various owners who generally "have understood" that it is easier to sell than to invest in

the future. The effects were devastating both on the living standard of the population in the area, but especially on the quality of life, the city map being full of pollution sources, contaminated sites of heaps of rubble and scrap (fig. 1, fig. 2).

Few buildings (houses, office buildings) located in central areas have been purchased, usually in modest amounts due to debts, by various real estate developers, subjected to a gentrification process, transformed into residential areas and returned to third parties, who choose to demolish the buildings and build other functions thought to be more beneficial to the area (fig. 3).

3. Urban regeneration of industrial sites

Gentrification means turning an aging urban area into a more financially and socially-populated neighborhood by renovating buildings, the consequences being, on the one hand, to increase the value of those properties (land and buildings in the area) and the relocation of old poor residents.

Adaptation of an industrial site to a new use for the purpose of its conservation is usually accepted except for sites of particular historical significance. New uses must comply with the original material and maintain original traffic and activity structures and must be compatible as far as possible with original or primary use. The setting up of an area of evocation of old industrial activity is recommended.



Fig. 1. Oil Factory, city Oradea, Bihor county, abandoned

Source: personal archive.



Fig. 2. Metallica Factory, city Oradea, Bihor county abandoned

Source: personal archive.



Fig. 3. Demolition of Înfrățirea Factory, city Oradea, Bihor county
Source: personal archive.

The most important sites should be fully protected and no intervention likely to compromise their historical integrity or the authenticity of the materials should be allowed. Adaptation and reuse can be an appropriate and effective way to ensure the survival of industrial buildings and should be encouraged through proper legal controls, technical advice and tax incentives (Pada, 2015).

Industrial communities threatened by rapid structural change should be supported by central and local authorities. The potential threats generated by these changes that can influence the industrial heritage must be anticipated, and plans must also be developed to avoid emergencies.

Establishing a balance between the various interests of urban actors, supported by an integrated urban development policy, is a viable basis for consensus between the state, regions, cities, citizens and economic actors.

Putting together knowledge and financial resources, public funds that are always insufficient can be used with much efficiency. Public and private investment will be better coordinated. Integrated Urban Development Policy involves actors outside the administration and allows citizens to play an active role in shaping their life framework. At the same time, these measures can provide more certainty in terms of planning and investment.

European cities must draw up integrated urban development programs and need action to the extent necessary to respond to local requirements in a responsible manner and with a sound financial

base that will bring long-term stability. For this reason, it is important that Member States have the opportunity to use the European Structural Funds for important integrated urban development programs. The use of these funds should be focused on the specific and potential difficulties of each city and the opportunities, difficulties and elements specific to each Member State need to be taken into account. Local authorities will need to develop skills and efficiency to implement integrated urban development policies, to meet the quality standards and sustainability of the built environment (Carta Patrimoniului Industrial, 2003).

The revaluation of damaged public spaces and the creation of new open spaces together with the protection or re-qualification of architectural forms will not only improve the urban landscape, the quality of many urban tissues, but also increase the attractiveness for specialized businesses and workforce, their attractiveness and the identification of locals with the urban environment and the community they are part of. Consequently, this will not only contribute to their cultural enrichment but also to the creation or recreation of citizenship dignity, since the values of democracy, coexistence, exchanges, civic progress, diversity, cohabitation and freedom are key factors in the European city culture that are expressed best in the public realm. In a context where urban challenges are increasingly complex and where both public and private resources are declining, where it is necessary to realize more and more with little resources, it is desirable that the

effort should concentrate in the direction obtaining or capitalizing on each revenue input from public or private actors (Chaline, 1999).

Integrated urban regeneration is conceived as a planned process that has to transcend the boundaries and approaches used previously to address the city as a functional one and its parts as components of a unitary urban body with the objective of developing and balancing the complexity and diversity of social, economic and urban structures, while stimulating greater eco-efficiency of the environment.

This concept of „integrated urban regeneration” aims at optimizing, preserving and revalorising all existing urban capital (social, built environment, patrimony, etc.) over other forms of intervention in which, in all this urban capital, only the value of the land is prioritized and preserved by traumatic demolition and by the replacement of the rest of the entire urban display. Disadvantaged urban areas should not be seen as a problem, but as a source of physical capital and human talent, the potential of which must be unlocked, so that it can contribute to the overall civic progress and economic growth of the city (Leary, McCarthy, 2013).

This strategic commitment to „integrated urban regeneration” must not be incompatible with urban growth. Obviously, where necessary, territorial and urban planning should allow sufficient land development to respond to justified needs, applying the terms of „strong control of land supply and speculative development” in the Leipzig Charter (Carta..., 2007). But it is also advisable to shape unlimited city growth or urban expansion because – in societies with a stable or recessive demography, like many European cities – new suburban growth is largely fueled – along with a rise in house prices and the decentralization of employment, services and facilities – the feeling of decline of citizens and the lack of quality of life in certain parts of the city (Reuniunea..., 2010).

4. Conclusion

We must not think inflexible, we need to find new ways to think and work so that we can deliver better, more efficient and sustainable services. The integrated approach offers all these possibilities, allowing for additional, synergistic and multiplier effects to be achieved, diminishing conflict interference and encouraging collaboration.

Although, during the communist era, Romania discovered an economical succes, after 1990, the once famous industrial sites were abandoned and most of them they are known by the citizens to not

go in those areas. These areas need to go through the process of urban regeneration, so they can be financially and socially-populated neighborhood.

References

- Carta de la Leipzig pentru Orașe Europene Durabile*, 2007, <http://www.rur.ro/download/1183> [05.02.2018].
- Carta Patrimoniului Industrial*, 2003, Charter-International Congress of TICCIH Moscow 2003, http://ticcih.org/wp-content/uploads/2013/04/TICCIH_Charter_ROMANIAN.doc [25.03.2018].
- Chaline C., 1999, *La Regeneration Urbaine*, Presses Universitaires de France, Paris.
- Ghid informativ privind regenerarea urbană. Principii și practici europene*, 2007, Ministerul Dezvoltării, Lucrărilor Publice și Locuințelor, București.
- Gyöngyi P., 2015, *Industrializarea comunistă și dezindustrializarea capitalistă*, Transilvania Reporter, <http://transilvaniareporter.ro/opinii/industrializarea-comunista-si-dezindustrializarea-capitalista> [09.12.2017].
- Leary M.E., McCarthy J., 2013, *The Routledge Companion to Urban Regeneration*, Routledge, London and New York.
- Monitorul Oficial Nr. 13 bis din 21 ianuarie 1991, <http://www.monitoruljuridic.ro/monitorul-oficial/13-bis/1991-01-21/> [15.12.2017].
- Pada O., 2015, The impact of gentrification on faith-based organizations, 2015, *Justice, Spirituality, & Education Journal*, 3(1), 44–59.
- Raport final*, 2006, Comisia Prezidențială Pentru Analiza Dictaturii Comuniste din România, București, https://www.wilsoncenter.org/sites/default/files/RAPORT%20FINAL_%20CADCR.pdf [09.12.2017].
- Reuniunea informală ministerială privind dezvoltarea urbană declarație*, 2010, http://www.mdrap.ro/userfiles/declaratie_Toledo_ro.pdf [05.02.2018].